

FINAL FISCAL NOTE

LLS 19-0474 **Date:** May 31, 2019 **Drafting Number:** Signed into Law Rep. Rich; Roberts **Prime Sponsors:** Bill Status:

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REMOVE FEE CAP ELECTRICAL INSPECTION LOCAL GOVT HIGHER ED **Bill Topic:**

Summary of **Fiscal Impact:** State Revenue (*minimal*) State Expenditure (minimal) □ TABOR Refund

□ State Transfer

□ Statutory Public Entity

This bill removes the cap on the fees local governments and institutions of higher education can charge for electrical inspections. It creates a minimal workload increase for the Department of Regulatory Agencies and may increase revenue for

local governments and institutions of higher education.

Appropriation Summary:

No appropriation is required.

Fiscal Note Status:

This fiscal note reflects the enacted bill.

Summary of Legislation

Under current law, local governments and institutions of higher education may only assess up to 15 percent more than the state's fees for electrical inspections. Starting January 1, 2021, the fee for electrical inspections conducted by local governments or institutions of higher education is set at \$120, which will be adjusted annually based on the consumer price index for the Denver-Aurora-Lakewood area. Local governments and institutions of higher education may adjust the fee by using a tiered charge with an 8 percent multiplier based on the size or valuation the inspected improvement.

Background

The State Electrical Board, within the Department of Regulatory Agencies (DORA), regulates electricians, apprentices, and electrical contractors in Colorado. The state, along with local governments and institutions of higher education, may conduct electrical inspections.

State residential electrical inspections range from \$67 to \$135, with additional fees for living areas greater than 2,001 square feet. Commercial fees are based on the valuation of installation, with base fees starting at \$67.

State Revenue

This bill will increase revenue for institutions of higher education that choose to raise their fees for electrical inspections. This revenue is not subject to TABOR.

State Expenditures

The State Electrical Board in DORA will have a minimal workload increase to conduct education and outreach. This increase can be accomplished within existing resources.

Local Governments

This bill will increase revenue for local governments that choose to raise their fees for electrical inspections. Currently 16 counties and 35 municipalities conduct inspections. Any fee change will vary by jurisdiction.

Effective Date

The bill was signed into law by the Governor on April 10, 2019, and takes effect August 2, 2019, assuming no referendum petition is filed.

State and Local Government Contacts

Counties Higher Education Information Technology Municipalities Personnel Regulatory Agencies